

BEFORE THE IDAHO BOARD OF TAX APPEALS

IN THE MATTER OF THE APPEAL OF W. DAVID) APPEAL NO. 07-A-2733
AND JANEEN SCHRADER, LFP from the decision) FINAL DECISION
of the Board of Equalization of Boise County for tax) AND ORDER
year 2007.)

RURAL RESIDENTIAL PROPERTY APPEAL

THIS MATTER came on for hearing February 12, 2008, in Idaho City, Idaho before Hearing Officer Travis Vanlith. Board Members Lyle R. Cobbs, David E. Kinghorn and Linda S. Pike participated in this decision. Appellant W. David Schrader appeared. Assessor Brent Adamson, Appraisers Amber Mello and Jason Rowe appeared for Respondent Boise County. This appeal is taken from a decision of the Boise County Board of Equalization (BOE) denying the protest of the valuation for taxing purposes of property described as Parcel No. RP10N04E234860A.

The issue on appeal is the market value of a rural residential property, specifically the value attributable to land.

The decision of the Boise County Board of Equalization is modified.

FINDINGS OF FACT

The assessed market value for the one-acre homesite is \$216,240. Appellants request the market value for the one-acre homesite be reduced to \$90,000.

Subject property consists of a one-acre homesite and 39 acres of forest land. The homesite is immediately adjacent to a local river and is improved with a cabin. Only the assessed value of the one-acre homesite is being challenged.

Appellant stated the sales used by the County were not comparable because they were either next to a county road or had a road built into them in accordance with strict county specifications. Taxpayer also argued the sales involved small acreage properties that had

amenities superior to subject and therefore were not comparable.

Appellant stated it would cost tens of thousands of dollars to build a road from the property line to the one-acre homesite. It was suggested snowshoes were required to access subject in the winter.

The taxpayer also mentioned subject was owned by a Limited Partnership and therefore could not be split and sold, which should further affect the value.

Respondent presented several riverfront sales in subject's area, three of which were 2006 sales. The 2006 sales ranged in lot size from .75 to 1.03 acres, with sale prices between \$184,480 and \$215,000. Subject's one-acre homesite was assessed for \$216,240. It was noted that although the sales were smaller acreage, they were the only riverfront sales in subject's immediate area.

The County explained that originally 38 acres were assessed as forest land and the remaining two acres of subject were valued at market value. After inspection of the parcel, it was learned that approximately 1 acre was under-water (river) so Respondent only valued the one-acre at market. At hearing the County suggested lowering the homesite value from \$216,240 to \$188,480, to account for the reduced useable area of the homesite.

Regarding subject's access issues, Respondent noted the county road extended to the edge of subject and therefore the access road to the cabin should be the taxpayers responsibility.

Respondent further stated all property must be assessed at market value each year regardless of whether property can be split and sold.

CONCLUSIONS OF LAW

This Board's goal in its hearings is the acquisition of sufficient, accurate evidence to

support a determination of fair market value. This Board, giving full opportunity for all arguments and having considered all testimony and documentary evidence submitted by the parties in support of their respective positions, hereby enters the following.

The valuation placed on property by the Assessor for tax purposes is presumed to be correct. The burden of proof lies with the party challenging the assessment to show by [a preponderance of the] evidence that he is entitled to relief. *Greenfield Vill. Apartments, L.P. v. Ada County*, 130 Idaho 207, 209 (1997). Idaho Code § 63-511(4).

In appeals from the County Board of Equalization, relief can be granted only if the Assessor's valuation is "manifestly excessive, fraudulent or oppressive; or arbitrary, capricious and erroneous." *Greenfield Vill. Apartments*, 130 Idaho at 209, citing *Merris v. Ada County*, 100 Idaho 59, 64 (1979).

Idaho Code § 63-208 requires the assessor to determine the market value of taxable property for assessment purposes. The germane definition is found in Idaho Code § 63-201(10):

Market value" means the amount of United States dollars or equivalent for which, in all probability, a property would exchange hands between a willing seller, under no compulsion to sell, and an informed, capable buyer, with a reasonable time allowed to consummate the sale, substantiated by a reasonable down or full cash payment.

The County stated subject was incorrectly valued as a two-acre homesite parcel in the original assessment. After review of subject property it was noted subject had only a one-acre homesite and therefore should have an assessed value of \$188,480.

Appellant maintained subject should have an assessed value of \$90,000.

Appellant asserted the assessed value of subject was erroneous and excessive, and the sales used by Respondent were not comparable. The Board finds it was not persuasively demonstrated that the market value calculated by Respondent was erroneous.

The County produced market sales evidence showing the assessed values were reasonably calculated and that subject's assessed value was in line with selling prices of riverfront property. In valuing property, the Assessor is limited to and controlled by available sales information. The Assessor took reasonable steps to determine subject's land value. There was no evidence presented demonstrating that subject was erroneously assessed.

The Board accepts Respondent's proposed valuation and will modify the decision of the Boise County Board of Equalization.

FINAL ORDER

In accordance with the foregoing Final Decision, IT IS ORDERED that the decision of the Boise County Board of Equalization concerning the subject parcel be, and the same hereby is, modified to reflect an assessed value of subject's one-acre homesite of \$188,480.

IT IS FURTHER ORDERED that any taxes which have been paid in excess of those determined to have been due be refunded or applied against other *ad valorem* taxes due from Appellant.

MAILED MARCH 27, 2008